

Joint Crediting Mechanism (JCM) between India and Japan

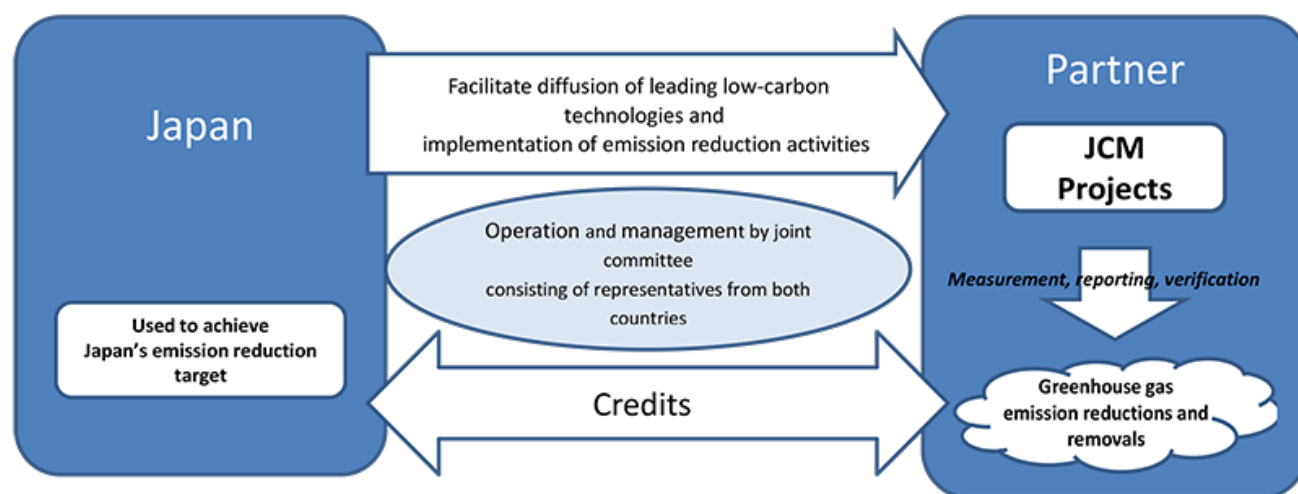
Prelims (GS - I) - Environmental Ecology & Climate Change, International Relations.

Mains (GS - II & III) - GS II (Governance, International Relations) | GS III (Environment, Economy, Science & Tech).

Why in News?

India and Japan plan to sign a Memorandum of cooperation for setting up a Joint Crediting Mechanism (JCM) to share emission reduction credits under Article 6.2 of the Paris Agreement.

- **Initiated by** - Japan.
- **Objective** - To facilitate the transfer of low-carbon technologies and infrastructure through investment by Japanese corporations to developing nations in exchange for carbon credits.
- **Purpose** - Helps both India and Japan achieve their climate targets (NDCs) by implementing sustainable technologies and sharing the resulting emission reductions.



- **Tracking Mechanism** - Carbon credits will be tracked through a registry system, with joint committees managing projects and certifying credits.
- **Key Features of India-Japan JCM** - Japan will invest in India's decarbonization efforts by deploying advanced clean energy technologies.
- India will adopt new emission-reducing technologies in various industries, focusing on high-cost sectors that lack financing.
- Japan can use these credits to meet its NDC commitments, while India benefits from technology transfer and infrastructure development.
- **Sectors Covered Under the JCM Agreement** - The agreement covers 14 key sectors, including
 - Renewable energy with storage solutions

- Solar thermal power plants
- Green hydrogen production
- Sustainable aviation fuel (SAF)
- Decarbonization of hard-to-abate sectors

Reference

[Business Standard | Joint Crediting Mechanism \(JCM\)](#)

